

Washington, D.C. – Today, Congressman Joe Sestak (PA-07) introduced the Small Business Lending Promotion Act of 2009 to make one of the Small Business Administration's (SBA) most successful pilot programs permanent. Since its creation in 1995, the Community Express Lending Program has been a critical source of capital for many small businesses including women, minority, and Veteran-owned businesses. However, due to its status as a pilot program, the Community Express Lending Program is at constant risk of termination and faces artificial caps on the value and volume of its loans.

"In these difficult economic times, it is more important than ever that we support our nation's small businesses, which create more than 70 percent of jobs nationwide," said Congressman Sestak. "The past 14 years have shown that the Community Express Lending Program is an effective resource for entrepreneurs and should be a permanent fixture of the Small Business Administration."

The SBA created Community Express to provide quick and affordable small business loans of as little as \$25,000 to established small businesses and startups. Loans provided by the Program represent approximately 12% of current SBA loans and 25.6% of all SBA loans to minorities and socially or economically disadvantaged entrepreneurs. The delinquency rate per-dollar for Community Express loans between 2002 and 2007 was 7.80% as compared to 9.91% for the SBA's overall 7(a) lending program.

Elevating the Community Express Lending Program from its current pilot status eliminates the risk of termination and artificial caps on the number of loans that may be issued. Such limits only apply to the SBA's pilot programs.

"During this period of unaffordable and inaccessible credit, small businesses need programs like Community Express more than ever," the Congressman said. "For many entrepreneurs, such programs are the only viable source of capital available."

Born and raised in Delaware County, former 3-star Admiral Joe Sestak served in the Navy for 31 years and now serves as the Representative from the 7th District of Pennsylvania. He led a series of operational commands at sea, including as Commander of an aircraft carrier battle group of 30 U.S. and allied ships with over 15,000 sailors and 100 aircraft that conducted operations in Afghanistan and Iraq. After 9/11, the Congressman was the first Director of "Deep

Blue,” the Navy’s anti-terrorism unit that established strategic and operations policies for the “Global War on Terrorism.” He served as President Clinton’s Director for Defense Policy at the National Security Council in the White House, and holds a Ph.D. in Political Economy and Government from Harvard University.□ According to the office of the House Historian, the Congressman is the highest-ranking former military officer ever elected to the U.S. Congress.